## UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: September 23, 2005]<sup>2</sup>

Bill No. and sponsor: H. R. 2252 (Ms. Corrine Brown of Florida)

Proponent name, location: FMC Corporation Corporate Headquarters Philadelphia, PA

Other bills on product (109th Congress only): H. R. 1907 and H.R. 2615

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

(3-phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate (Permethrin) (CAS No. 52645–53–1) (provided for in subheading 2916.20.50)

Check one: Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

#### Product information, including uses/applications and source(s) of imports:

Permethrin, a synthetic organic chemical, is the active ingredient in an insecticide used in crops such as corn, soybeans, fruit and vegetables. The proponent imports permethrin from China and India.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Elizabeth Nesbitt (202-205-3355); Tariff Affairs contact: Dave Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>

#### **Estimated effect on customs revenue:**

| HTS subheading: <u>2916.20.50</u>       |             |             |             |             |             |  |  |  |
|---|-------------|-------------|-------------|-------------|-------------|--|--|--|
|   | 2005        | 2006        | 2007        | 2008        | 2009        |  |  |  |
| Col. 1-General rate of duty             | 3.7%        | 3.7%        | 3.7%        | 3.7%        | 3.7%        |  |  |  |
| Estimated value <i>dutiable</i> imports | \$8,700,000 | \$8,700,000 | \$8,700,000 | \$8,700,000 | \$8,700,000 |  |  |  |
| Customs revenue loss                    | \$321,900   | \$321,900   | \$321,900   | \$321,900   | \$321,900   |  |  |  |

Source of estimated dutiable import data: Industry estimates.

## Contacts with domestic firms/organizations (including the proponent):

| Name of firm/organization  | Date<br>contacted        | US production of same or competitive product claimed? | Submission attached? | Opposition<br>noted? |  |  |
|--|--------------------------|---|----------------------|----------------------|--|--|
|  |                          | (Yes/No)  |                      |                      |  |  |
| FMC Corporation (Proponent) Jerry Prout 202-956-5209             | 07/27/2005               | No  | No                   | No                   |  |  |
| AMVAC<br>Doug Ashmore Fax: 323-269-4668                          | 07/29/2005<br>08/18/2005 | No  | No                   | No                   |  |  |
| AtoFina Cerexagri<br>Charles Kitchin Fax : 703-527-2092          | 07/27/2005               | No  | No                   | No                   |  |  |
| Bayer CropScience<br>Jean Reimers Fax: 202-628-6622              | 07/27/2005               | No  | No                   | No                   |  |  |
| BASF Corp.<br>Greg Theis Fax: 202-558-5101                       | 07/27/2005               | No  | No                   | No                   |  |  |
| Crop Life America<br>Lawrence Norton Fax: 202-463-0474           | 07/27/2005               | No  | No                   | No                   |  |  |
| Dow AgroSciences<br>Margaret Rogers Fax: 202-429-3467            | 07/27/2005               | No  | No                   | No                   |  |  |
| Dragon Chemical Corp<br>Carol Bianco 540-362-3657                | 07/29/2005               | No  | No                   | No                   |  |  |
| E. I. DuPont<br>Elaine Olsen Fax: 302-892-7343                   | 07/27/2005               | No  | No                   | No                   |  |  |
| Griffin Corp. James Whatley or Stephen Glennon Fax: 800-248-5154 | 07/27/2005               | No  | No                   | No                   |  |  |

| Schering-Plough Animal Health<br>Paul Erlich 202-463-7372 | 07/29/2005<br>08/18/2005 | No | No | No |
|---|--------------------------|----|----|----|
| Syngenta<br>Mike Blythe Fax: 336-632-6084                 | 07/27/2005               | No | No | No |
| Valent USA<br>Robin Dermouth Fax : 925-256-2776           | 07/27/2005               | No | No | No |
| Monsanto Corp.<br>Linda Strachan Fax No: 202-789-1819     | 07/27/2005               | No | No | No |

### **Technical comments:**<sup>3</sup>

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide the correct chemical name.

<sup>&</sup>lt;sup>3</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

# H.R. 2252

To suspend temporarily the duty on Permethrin.

### IN THE HOUSE OF REPRESENTATIVES

May 11, 2005

Ms. Corrine Brown of Florida introduced the following bill; which was referred to the Committee on Ways and Means

# A BILL

To suspend temporarily the duty on Permethrin.

| 1 |  | Be it  | e it enacted by the Senate and House of Representa-   |      |           |           |                            |    |  |  |  |
|---|--|--|---|------|-----------|-----------|----------------------------|----|--|--|--|
| 2 | tii  | ves of the United States of America in Congress assembled, |   |      |           |           |                            |    |  |  |  |
| 3 | SECTION 1. PERMETHRIN.                                   |  |   |      |           |           |                            |    |  |  |  |
| 4 | (a) In General.—Subchapter II of chapter 99 of           |  |   |      |           |           |                            |    |  |  |  |
| 5 | the Harmonized Tariff Schedule of the United States is   |  |   |      |           |           |                            |    |  |  |  |
| 6 | amended by inserting in numerical sequence the following |  |   |      |           |           |                            |    |  |  |  |
| 7 | new heading:   |  |   |      |           |           |                            |    |  |  |  |
|   | u  | 9902.05.70   | (2-Methyl-[1,1'-biphenyl]-3-yl)methyl 3-(2-chloro-3,3,3-trifluoro-1-propenyl)-2,2-dimethyleyelopropanecarboxylate (Permethrin) (CAS No. 52645-53-1) (provided for in subheading 2916.20.50) | Free | No change | No change | On or before<br>12/31/2009 | ". |  |  |  |

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after

4 the date of enactment of this Act.

 $\bigcirc$